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SOURCE Corriere della Sera.THE ROLE OF THE INSTITUTE FOR INDUSTRIAL RECOVERY IN ITALIAN ECONOMY

Recent data show that 25.6 percent of all bank deposits are held in banking institutions controlled by the IRI (Istituto per la Ricostruzione Industriale, Institute for Industrial Recovery [comparable to RFC in US]). If we include the Banca del Lavoro (Labor Bank), which is, to a large extent, government-controlled, although it does not belong to the IRI, 37 percent of all bank deposits is held directly or indirectly by government-controlled banks.

In the industrial field, the IRI, through the Finsider (Societa Finanziaria Siderurgica, Siderurgical Financing Company), controls 60.5 percent of the Italian pig iron production and 43 percent of the steel. The companies controlled by Finsider have made considerable progress during the last years as shown in the following table (in tons):

	<u>1949</u>	<u>1950</u>	<u>1951</u>	<u>1952</u>
Pig iron	217,000	276,000	575,000	--
Steel	832,000	935,000	1,273,000	1,500,000

When the expansion program has been completed, the annual production of pig iron is expected to rise to 1,200,000 tons and steel, to 1,800,000 tons. The companies belonging to Finsider employ 56,000 people at present.

Through the Finmeccanica (Societa Finanziaria Meccanica, Mechanical Financing Company), the IRI controls 80 percent of the productive capacity of the Italian shipyards, 40 percent of the production of rolling stock for railroads and trolley lines, and 10 percent of the production of internal combustion engines.

In the mining and extractive fields, IRI mines 56.3 percent of the iron ore through Ilva and 60 percent of the mercury ore through the Monte Amiata Company. Ilva and the government-controlled Cogne Company jointly mine about 85 percent of Italian iron ore. AMMI (Azienda Minerale Metallici Italiani, Italian Metallic Ores Enterprise), a state-controlled entity, in 1950 mined 100 percent of the antimony, 70 percent of the tin, 30 percent of the zinc, and 15 percent of the lead ores.

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In 1950, the Italian government controlled 60 percent of natural gas and 40 percent of crude oil production through the AGIP (Azienda Generale Italiana Petroli, Italian General Petroleum Enterprise), 99 percent of nonanthracite coal production through AcaI (Azienda Carboni Italiana, Italian Coal Enterprise), and 85 percent of anthracite coal production through the Cogne Company.

With respect to public services, the IRI controls 18 percent of merchant marine tonnage through Finmare (Societa Finanziaria Mare, Sea Financing Company), 59 percent of the installed telephones through STET (Societa Torinese Esercizi Telefonici, Turin Telephone Installation Company), and all radio broadcasts through RAI (Radio Audizioni Italia, Italian Broadcasting Company). All passenger traffic by air is handled by IRI-controlled companies; 26.6 percent (30 percent in 1950) of electric power is produced by IRI-companies.

At present, Finmare is completing 20 vessels with a total of 235,000 gross tons. These new vessels will permit the resumption of scheduled services which existed prior to the war. In the field of electric power production, Finelettrica (Societa Finanziaria Elettrica, Electric Financing Company), which is controlled by the IRI, not only has repaired the war damages but also has doubled the capacity of its power plants.

The capital funds of the IRI were increased recently from 60 billion lire to 120 billion. Campilli, Minister of Industry, speaking before the Senate on 31 October 1952, stated that the financial participation of the IRI in the companies that it controlled at the end of 1952 was over 300 billion lire.

The number of persons employed by IRI-controlled companies amounted to 191,400, divided as follows:

Finmeccanica and other related companies	80,200
Finsider	56,000
Finmare	11,200
STET	11,500
Finelettrica and other related companies	15,200
RAI	3,900
Others	13,400
Total	191,400

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